

RHODE ISLAND

Law	Title 31, Chapter 36, Gasoline Tax; Chapter 36.1, Fuel Use Reporting Law; Title 44, Chapter 39.2, Alternative Fueled Vehicles Credit.
Definitions	Fuels: includes gasoline and other volatile and inflammable liquids used for the propulsion of motor vehicles. [Sec. 31-36-1] Alternative fuels: natural gas, LNG, LPG, hydrogen, electricity, and any other fuel at least 85% methanol, ethanol, alcohol, or ether, alone or in combination. [Tit. 44, Ch. 39.2]
Tax Rate	28¢ per gallon, of which 25¢ (or 11% of the wholesale price of fuel, whichever is higher) is motor fuel tax, and 3¢ (or 2% of the wholesale price of fuel, whichever is higher) is an additional excise tax; tax rate is calculated quarterly. [Sec. 31-36-7]
Tax Breaks	None.
Exemptions	Refunds are available for fuel used in farm and off-highway operations. [Sec. 31-36-15] Effective 1/1/98 through 12/31/02, exempt from fuel tax when used by fleets of 10 or more vehicles and fueling is separately metered. [Sec. 31-36.1]
Gasohol	No specific provisions.
Special Provisions	None.
Sales Tax	Sale, storage, use or other consumption of alternative fuels is exempt. Also, the incremental cost of a new vehicle equipped to burn alternative fuels, or the conversion cost to convert a vehicle is eligible for a sales tax exemption; separate metering is required of the vehicles, and the vehicles must be part of a fleet of 10 or more alternative fueled vehicles. Finally, costs of construction of filling stations to dispense alternative fuels are exempt from sales tax. [Sec. 44-18-30(52,53)]
Income Tax	Credit available for tax years inclusive of 1/1/98 through 12/31/02 equal to 50% of the incremental costs of capital, labor and equipment of converting

vehicles to or purchasing new alternative fueled vehicles. [Sec. 44-39.2-2]

Property Tax

Motor vehicles are exempt from property tax if properly registered in Rhode Island.